
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 21, 2008

ELI LILLY AND COMPANY

(Exact name of registrant as specified in its charter)

Indiana

(State or other jurisdiction of
Incorporation)

001-06351

(Commission File Number)

35-0470950

(IRS Employer Identification No.)

**Lilly Corporate Center
Indianapolis, Indiana 46285**

(Address of principal executive offices) (Zip Code)

(317) 276-2000

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

TABLE OF CONTENTS

[Item 2.01. Completion of Acquisition or Disposition of Assets](#)

[Item 8.01. Other Events](#)

[Item 9.01. Financial Statements and Exhibits](#)

[SIGNATURES](#)

[EXHIBIT INDEX](#)

[EX-99.1](#)

[Table of Contents](#)

Item 2.01. Completion of Acquisition or Disposition of Assets.

On November 24, 2008, Eli Lilly and Company, an Indiana corporation (“Lilly”), completed its acquisition of all of the outstanding shares of common stock, par value \$0.001 per share, and the associated preferred stock purchase rights (collectively, the “Shares”), of ImClone Systems Incorporated, a Delaware corporation (“ImClone”), pursuant to an Agreement and Plan of Merger, dated as of October 6, 2008 (the “Merger Agreement”), among Lilly, Alaska Acquisition Corporation, a Delaware corporation and wholly owned subsidiary of Lilly (the “Purchaser”), and ImClone.

Lilly’s acquisition of the Shares was structured as a two-step transaction, with a cash tender offer by the Purchaser for the Shares at a price of \$70.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated October 14, 2008, and in the related Letter of Transmittal, each as amended and supplemented from time to time, filed by Lilly and the Purchaser with the Securities and Exchange Commission on October 14, 2008 (the “Offer”), followed by the merger of the Purchaser with and into ImClone (the “Merger”).

The Offer expired at 12:00 midnight, New York City time, on November 20, 2008. Based upon information provided by Wells Fargo Bank, N.A., the depository for the Offer, an aggregate of approximately 85,401,945 Shares were validly tendered and not withdrawn (including certain Shares tendered under guaranteed delivery procedures) in the Offer, representing approximately 95.5% of the issued and outstanding Shares. On November 21, 2008, the Purchaser accepted for payment all Shares validly tendered and not withdrawn in the Offer.

On November 24, 2008, pursuant to the terms of the Merger Agreement, the Purchaser completed the Merger in accordance with the provisions of Delaware law that authorize the completion of the Merger without a vote or meeting of the stockholders of ImClone. ImClone was the surviving corporation in the Merger and, as a result of the Merger, has become a wholly owned subsidiary of Lilly. In the Merger, each Share (other than Shares held by Lilly, the Purchaser, ImClone or any of their respective subsidiaries, and Shares held by holders who properly exercise their appraisal rights under applicable Delaware law) was cancelled and converted into the right to receive \$70.00 per Share, net to the holder in cash, without interest, subject to any required withholding of taxes.

In connection with the consummation of the Merger, an application to terminate the registration of the Shares under the Securities Exchange Act of 1934, as amended, was filed, and on November 25, 2008, the Shares ceased to be traded on the NASDAQ Global Select Market. The foregoing summary description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the terms of the Merger Agreement, a copy of which was included as Exhibit 2.1 to Lilly’s Current Report on Form 8-K, filed October 10, 2008, and which is incorporated herein by reference.

The aggregate consideration paid by Lilly was approximately \$6.26 billion, plus related transaction fees and expenses. Lilly funded the acquisition from available cash and the proceeds of commercial paper issuances.

Item 8.01. Other Events.

On November 24, 2008, Lilly issued a press release announcing the completion of the Merger. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

The financial statements required by Item 9.01(a) of Form 8-K will be filed by amendment no later than 71 calendar days after the date this Current Report on Form 8-K is required to be filed.

Table of Contents

(b) Pro Forma Financial Information.

The pro forma financial information required by Item 9.01(b) of Form 8-K will be filed by amendment no later than 71 calendar days after the date this Current Report on Form 8-K is required to be filed.

d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
2.1	Agreement and Plan of Merger, dated as of October 6, 2008, among Lilly, the Purchaser and ImClone (incorporated by reference to Exhibit 2.1 to Lilly's Current Report on Form 8-K, filed October 10, 2008).
99.1	Press Release issued by Lilly, dated November 24, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ELI LILLY AND COMPANY

By: /s/ JAMES B. LOOTENS

Name: James B. Lootens

Title: Secretary

Date: November 26, 2008

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
2.1	Agreement and Plan of Merger, dated as of October 6, 2008, among Lilly, the Purchaser and ImClone (incorporated by reference to Exhibit 2.1 to Lilly's Current Report on Form 8-K, filed October 10, 2008).
99.1	Press Release issued by Lilly, dated November 24, 2008.



Eli Lilly and Company
Lilly Corporate Center
Indianapolis, Indiana 46285
U.S.A.

www.lilly.com

Date: November 24, 2008

For Release: Immediately
Refer to: (317) 276-5795 – Mark E. Taylor
(317) 276-5046 – Angela Sekston

Lilly Completes Acquisition of ImClone Systems

Indianapolis, IN – Eli Lilly and Company (NYSE: LLY) today announced that it has completed its acquisition of ImClone Systems Incorporated. ImClone Systems is now a wholly-owned subsidiary of Lilly.

“We are excited about the successful completion of the ImClone transaction, which will broaden Lilly’s portfolio of marketed cancer therapies and boost Lilly’s oncology pipeline with up to three promising targeted therapies in Phase III in 2009,” said John Lechleiter, Ph.D., Lilly president and chief executive officer. “The acquisition also adds late-stage assets, early- and mid-stage prospects, and the opportunity to generate additional value from ERBITUX®, a blockbuster targeted cancer therapy. We look forward to combining our talented teams and working together to improve outcomes for individual patients and building value for Lilly shareholders.”

ImClone’s chief executive officer, John Johnson, will retain his current position at ImClone after the acquisition and will report directly to Lechleiter. “I look forward to continuing to lead ImClone’s dedicated employees in their efforts to discover and develop promising oncology therapies,” commented Johnson. “We are excited with the potential to further accelerate our proprietary pipeline of novel antibodies by leveraging Lilly’s global capabilities to bring these compounds to cancer patients around the world.”

As previously announced, Lilly and ImClone entered into a merger agreement on October 6, 2008 pursuant to which Alaska Acquisition Corporation, a wholly-owned subsidiary of Lilly, commenced a tender offer to purchase all of ImClone’s outstanding shares for \$70.00 per share in cash. On November 21, 2008, Lilly successfully completed a cash tender offer for all outstanding shares of ImClone.

As a result of the cash tender offer, Lilly, through Alaska Acquisition, acquired 85,401,945 shares (including 5,175,275 shares that were tendered pursuant to guaranteed delivery procedures), representing 95.5 percent, of ImClone's issued and outstanding shares. The merger was completed on November 24, 2008, when Alaska Acquisition was merged with and into ImClone.

As a result of the merger, all outstanding shares of ImClone common stock not purchased by Lilly in the tender offer were converted into the right to receive \$70.00 per share in cash. Wells Fargo Bank, N.A., the paying agent for the merger, will mail instructions on how to surrender share certificates for the merger consideration to shareholders who did not tender their shares. As a result of the merger, ImClone shares will be delisted from the NASDAQ.

Lilly will take a one-time charge to earnings in the fourth quarter of 2008 for acquired in-process research and development associated with the merger. The amount of that charge has not yet been determined, but will be disclosed when available.

About Eli Lilly and Company

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of first-in-class and best-in-class pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Ind., Lilly provides answers – through medicines and information – for some of the world's most urgent medical needs. Additional information about Lilly is available at www.lilly.com. C-LLY

This press release contains forward-looking statements that are based on management's current expectations, but actual results may differ materially due to various factors. The company cannot guarantee that it will realize anticipated operational efficiencies following the merger with ImClone. The current credit market may increase the cost of financing the ImClone transaction. There are significant risks and uncertainties in pharmaceutical research and development. There can be no guarantees with respect to pipeline products that the products will receive the necessary clinical and manufacturing regulatory approvals or that they will prove to be commercially successful. The company's results may also be affected by such factors as competitive developments affecting current products; rate of sales growth of recently launched products; the timing of anticipated regulatory approvals and launches of new products; regulatory actions regarding currently marketed products; other regulatory developments and government investigations; patent disputes and other litigation involving current and future products; the impact of governmental actions regarding pricing, importation, and reimbursement for pharmaceuticals; changes in tax law; asset impairments and restructuring charges; acquisitions and business development transactions; and the impact of exchange rates. For additional information about the factors that affect the company's business, please see the company's latest Form 10-Q filed November 2008. The company undertakes no duty to update forward-looking statements.

#

- 2 -